



# County of Los Angeles CHIEF EXECUTIVE OFFICE


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March 31, 2014

To: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

Mitchell H. Katz, M.D.   
Director, Department of Health Services

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## HEALTH CARE REFORM IMPLEMENTATION TASK FORCE UPDATE

This is to provide the Board with a report of progress made by the Department of Health Services (DHS)/Chief Executive Office (CEO) Health Care Reform Implementation Task Force (Task Force).

On December 10, 2012, my office informed your Board that the CEO and Director of Health Services would create a Task Force for Health Reform to focus coordination among the five County departments whose services are vital to the successful implementation of health reform within Los Angeles County. We are now providing you with the achievements of the Task Force and stakeholder departments since our last report of February 10, 2014.

### DEPARTMENT OF HEALTH SERVICES (DHS)

The Internal Nurse Registry pilot program at LAC+USC Medical Center (MC) has been successful:

- Thirty three Relief Nurses (RN's) have been recruited and hired to supplement core RN staff within the following hard to recruit specialties: Emergency Room (6 RN's), Intensive Care (4 RN's), Medical-Surgical (4 RN's), Inpatient Pediatrics (4 RN's), Psychiatry (5 RN's), Obstetrics & Gynecology (5 RN's), and Ambulatory Care (5 RN's). Twenty eight of the thirty three RN's are currently working.

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- Through the Internal Nurse Registry program, LAC+USC MC has been able to not only recruit new RN's, but also retain the services of existing RN's that would have otherwise terminated County service to seek more flexible scheduling.
- Recognizing that Operating Room RN's are a scarce commodity due to training requirements and interest on the part of RN's, DHS has increased its recruitment activities to attract candidates for this hard-to-recruit nursing specialty.

The DHS telephone system was designed for implementation in three phases. Phase I is complete; all 19 Ambulatory Care Network (ACN) clinics and Harbor-UCLA Medical Center's Lomita Family Medicine Clinic are using a vendor-hosted call manager software to handle and manage incoming calls. The call manager software routes calls to a vendor-hosted server, eliminating bandwidth limitations previously imposed by aging on-site telephone hardware (copper lines, PBX switches, etc.). From the hosted server, the patient's call is automatically routed to the appropriate clinic area based on the interactive menu (e.g., appointment desk, patient-centered medical home provider/nurse, pharmacy, care manager, financial services, etc.). As a result:

- Patients are no longer hindered by busy signals or dropped calls when calling to make an appointment or speak to their provider. All calls are routed using an interactive voice response, pre-recorded voice prompts, menu options for callers, and touch-tone telephone keypad entry to gather responses.
- Supervisors and management now have the ability to monitor and collect metrics on call-wait times, call volumes, and length of call, etc., and thereby improve response to patient needs.
- Supervisors and management can document incoming call traffic, detect trends, and effectively schedule staff in response to volume (e.g., Monday mornings, business days following a holiday, etc.).
- Although calls can now be automatically routed to the appropriate clinic, a significant number of calls are still routed to site call centers for patient appointments. The ACN's current call center efforts have shifted from setting up the call management infrastructure to improving quality: reducing wait times, improving customer service (e.g., telephone etiquette, voice skills, etc.), and managing staff to respond to periods of high call volume, etc.

The goal of Phase II, which is now underway, is to move from a vendor-hosted solution to an ISD-hosted solution on a Cisco platform. This will help establish the infrastructure (hardware and programming) needed to ultimately transition to a DHS-hosted solution during Phase III. For Phase II:

- A pilot was planned to start at Olive View-UCLA MC, LAC+USC MC, Harbor-UCLA MC, Rancho, HSA-Service Desk to guide the transition to the Cisco VoIP and call manager solution. The pilot for this phase was stalled due to competing priorities experienced by the Internal Services Department (ISD) in late 2013.

- Significant progress was made during Phase II, including:
  - Identification of key business office staff identified at the various pilot sites to inform on the Cisco call manager configuration needs (call manager software, call trees, menus, etc.).
  - Much of the planning and infrastructure was established within ISD.

Phase III, (DHS-hosted call manager software on a Cisco platform) has been accelerated to keep pace with the scheduled opening of the new MLK MACC facility in the spring of 2014. Significant steps in this phase include:

- Launching the MLK data center to support VoIP (and many other solutions to support clinical care).
- Launching VoIP telephony throughout MLK.
- Moving the established infrastructure to the MLK data center and ensuring redundancies at the LAC+USC MC data center for back-up.
- Configuring the MLK call center with the Cisco call manager solution. Launching the Cisco call manager solution is dependent on having the VoIP infrastructure in place.
- The new MLK MACC facility will be considered the pilot site for the Cisco call manager solution. The lessons learned from the pilot will be used to expand to other DHS sites and along with the VoIP roll-out schedule, will determine the timeline for the expansion.

DHS is also in the process of implementing the infrastructure for Managed Care Services (MCS) as approved by the Board in November 2013. The majority of MCS positions are included in the FY 2014-15 Recommended Budget; however DHS HR is working with the Director of MCS on the recruitment and hiring process to acquire a Director of Business Development. Business development and payer contracting efforts are progressing; DHS is engaged in the following active negotiations:

- A fee for service (FFS) contract for Medi-Cal managed care and Medicare Advantage patients with Care 1st and discussion regarding potential participation in their Cal MediConnect provider network under a capitation arrangement;
- A FFS contract with Molina Health Care for Medi-Cal managed care, Medicare Advantage, Cal MediConnect, and Covered CA patients, and discussion regarding a potential capitated contract for Medi-Cal managed care and Cal MediConnect lines of business;
- County Counsel recently approved a contracting mechanism for DHS to provide specialty services to Health Care Los Angeles, IPA based upon our service capacity; and
- Potential revenue contracts with Pharmacy Benefits Manager associated with L.A. Care and Health Net were presented at the Health and Mental Health Cluster meeting on March 11, 2014.

## **FIRE DEPARTMENT**

The Fire Department continues to work on the implementation of a First Response Fee program designed to be universally billed for all emergency medical services (EMS) patients; this is a precursor to qualify for the Medi-Cal Ground Emergency Medical Transportation (GEMT) program, if approved through a State Plan Amendment (SPA) filed in July 2013.

The Fire Department continues to analyze the potential financial impact of the GEMT for the County; complicating factors include the use of contracted ambulance companies and the high percentage of Medi-Cal managed care patients in the area. The Fire Department is in the process of developing a First Response Fee structure which will be presented for Board approval within the second quarter of 2014. The Fire Department will be required to serve as the "biller" for the First Response Fee and a Medi-Cal provider number will also be required. The Fire Department will have the ability to use ambulance companies or a third party as their contracted biller.

A meeting was held between the California Association of Fire Chiefs (CalChiefs) and the State on March 18, 2014 and it was decided the CalChiefs would pursue legislation that would allow Medi-Cal managed care programs to be included in the GEMT. It is projected that up to 80 percent of Medi-Cal patients will be enrolled in a managed care program. AB 2577 has been assigned as the spot bill to carry that change.

## **DEPARTMENT OF MENTAL HEALTH (DMH)**

DMH has made progress on the following goals identified for 2014:

- Network capacity – DMH continues to address network capacity to meet the needs of the Medicaid expansion population. Recent accomplishments include:
  - Amended contracts with children's provider agencies to enable them to deliver mental health services to adults, thereby enabling families to be seen within the same provider organization.
  - Amended contract amounts for all providers to enable them to efficiently serve an expanding population.
- Access to care – DMH continues to work on monitoring and enhancing access to care including:
  - Establishing and monitoring a dedicated line at ACCESS (the DMH call center) for urgent health plan referrals for mental health services. To date, 100 percent of urgent referrals have received an expedited appointment.
  - Holding weekly meetings with health plans to monitor the status of the Medicaid expansion and make mid-course corrections as needed.
  - Referral workflows for the CalMediConnect pilot are being finalized.
- Preparing mental health providers for ACA implementation

- On February 6, 2014, DMH convened an all-providers' meeting to discuss collaboration with the health plans on coordination of care for individuals who require non-specialty mental health services (the responsibility of the health plans). L.A. Care was represented by Dr. Clayton Chau who described the role of L.A. Care and Beacon.
- Organizing Care
  - DMH convened a Health Neighborhood planning meeting which included DHS, Department of Public Health (DPH), Substance Abuse Prevention and Control (SAPC), Association of Community Human Service Agencies (ACHSA), Community Clinic Association of Los Angeles County (CCALAC) and L.A. Care representatives. The workgroup reached a common understanding of the Health Neighborhood concepts and identified several areas of focus:
    - Information and data exchange – a meeting is being set up with County Counsel to pursue this topic.
    - Cross training – including preparing health providers and behavioral health providers to work in collaboration.
    - Structure of Health Neighborhoods – both geographic and associated with special populations.
  - Children's providers have been aligned with the rudimentary HWLA Health Neighborhoods. Regional meetings will be held to further develop this alignment.
  - Substance use disorder treatment programs are in the process of being aligned with the rudimentary Health Neighborhoods.
- Other
  - On March 10, 2014, DMH convened a meeting with L.A. Care, DHS and the Regional Centers to discuss the additional behavioral health benefits package available through the Medicaid expansion.
  - DMH, DHS and DPH are joining L.A. Care in a grant application to support the development of Health Neighborhoods.

### **DEPARTMENTAL OF PUBLIC SOCIAL SERVICES (DPSS)**

With the transition of covered lives from HWLA to Medi-Cal via Medi-Cal expansion, and the changes in enrollment processes by the state, DPSS has encountered many challenges with Covered California and CALHEERS (the State's enrollment system) in ensuring that enrollees have appropriate eligibility determinations and seamless access to care. DPSS understands that the ongoing system issues and programming flaws associated with CALHEERS have resulted in inaccurate eligibility determinations, delayed applications processing, and have created barriers for Medi-Cal beneficiaries seeking healthcare services. CALHEERS interface has been plagued with performance issues and has created ongoing challenges for DHS and DPSS eligibility staff. CALHEERS' system flaws and the interface delays have forced counties to develop complex, labor intensive

and imperfect workarounds in order to ensure that individuals and families receive the correct Medi-Cal coverage.

DPSS continues to work closely with Covered California and the Department of Health Care Services to resolve these challenges so that participants receive the benefits to which they are eligible. We continue to partner with DPSS on any Health Care Reform Task Force issues.

### **DEPARTMENT OF PUBLIC HEALTH (DPH)**

DPH continues to realize progress relating to billing improvements for their clinic-based services and increased outreach and enrollment activities:

- Outreach and Enrollment grant
  - DPH was awarded a \$7 million grant from DHCS for Medi-Cal outreach and enrollment, which included DPH, DPSS, DMH, DHS, and LASD in January 2014.
  - DPH is working on a multi-departmental MOU to support the grant implementation.
  - The CEO is preparing a Board letter and working with each department to include programmatic details in the letter and determining the funding allocations for each of the participating departments.
  - DPH will be working with each of the departments to obtain detailed budgets and finalized scopes of work that coordinate with the State's required deliverables and payments schedules.
- Productivity Investment Fund grant
  - The ACA requires not-for-profit hospitals to perform Community Health Needs Assessments and provide funding to address population health conditions. DPH secured a Productivity Investment Fund grant to partner with Dignity Health to convene a coalition of not-for-profit hospitals and community benefits-related organizations.
  - This coalition will implement a centralized website of population health indicators and evidence-based solutions for Los Angeles County that will be used to plan and implement population health community-based interventions.
  - A contract has been executed with Dignity Health dba California Hospital Medical Center (CHMC) to establish the coalition and implement the centralized website. Dignity Health has selected and subcontracted with a vendor to begin implementation of the centralized website.
- Electronic Health Records and Billing Systems
  - DPH is obtaining Medicare numbers for all fourteen public health centers.
  - DPH is working closely with Cardea on processes to collect patient and clinical information; update forms to ensure Medicare numbers are collected;

- and update ICD-10 codes through changes to encounter forms.
- DPH is scheduling meetings with Gartner and key staff to initiate the assessment process for the electronic health record system.
- DPH is working with Cardea to develop billing systems around STD services. DPH's Community Health Services (CHS) staff is performing a cost study for STD services. Additionally, other efforts include cost analysis, fee schedule development, client visit documentation forms, staff training and other research. Cardea will also be providing final recommendations for a billing system.
- DPH is hiring a consultant to assist with third party payor contracts, which will enable DPH to bill private insurance companies. A scope of work was written and DPH's Contracts & Grants team is finalizing plans for hiring.
- DPH expects to phase in billing for Medi-Cal and Medicare during FY 2014-15. DPH will also be able to bill private insurers once the electronic billing system is fully implemented in all fourteen public health centers as planned in FY 2015-16.

#### **SHERIFF'S DEPARTMENT (LASD)**

The Task Force continues to work with the LASD to maximize federal reimbursement available under the Affordable Care Act.

The Task Force has completed the administrative work related to coordination of services among the County departments vital to the successful implementation of the ACA and this will be the final Task Force report. As the departments continue to implement the ideas and make progress on their goals, the Task Force will monitor their progress on an ongoing basis to ensure the objectives are met and provide any necessary support to each department.

If you have any questions or require additional information, please contact me or your staff may contact Gregory Polk at (213) 974-1160 or via e-mail to [gpolk@ceo.lacounty.gov](mailto:gpolk@ceo.lacounty.gov).

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